WALL STREET

Additional Developments of the Recent Frands.

Three to Five Millions of Dollars Involved.

THE FLIGHT OF YOUNG KETCHUM

Statements of Morris Ketchum, Charles Graham and the President of the Bank of New York.

LETTER FROM KETCHUM, SON & CO.

WHAT THE BANKS LOSE.

THE GOLD CHECKS.

Arrest of P. R. Mumford, the Gold Operator.

His Commitment in Default of \$30,000 Bail.

Arrival of Townsend, the New Eaven Deculter.

THE STAMPEDE AT SARATOGA,

lers and embryo millionaires usually congregate tonoonday. Little groups were noticeable everydiscussing the matter, and anxiously inquiring as
developments which were momentarily expected.

of the most inquisitive were even so indiscreet as
or the establishment occupied by Mesers. Ketchum
and gase around in wonderment, as if the very
were possessed of the property of revealing the
abouts of the defaulter, or, better still, the whereof the missing money. At a late hour in the afent murder were entirely forgotton or set aside

ing upon this advice, without inquiring as to the cause that prompted it, at once withdrew their loans, which amounted, it is rumored, to about \$80,000.

THE FLIGHT. Srm's name, on the City Bank, for sixty thousand dol-lars. Ketchum himself presented the check, and re-quested that the amount should be given him in large puested that the amount should be given that the small bills. It happened, however, that there was but a small amount of these on hand at the bank, and he was mostly paid in bills of lesser denomination, which fact accounts for the "piles" of Treasury notes with which he was seen proceeding through Broadway on Monday afternoon. The Henaud of yesterday related the incidents of his light, and stated that he had left the city. It is now affirmed that the defaulter has fled for Halifax, there to take the steamer for Europe. As rumors were also cur-rent that he had gone to Boston, a detective was sent thither yesterday morning, with orders to search all steamers bound for the continent, which may sail from that port. Meantime, none of the family and none of the firm have the slightest knowledge of the where-

-RETRACTING THE SECURITIES. It has not yet been ascertained how long the abstraction of the securities in charge of Ketchum, Son & Co. has been in progress. It is well established, however, Acr, as a member of the firm and temporary manager is business, had every facility for the commission of of its business, had every facility for the commission of his crime. Having access to all the books, and being able to draw from all sources of information, he was well aware what accurities would be called for at a given time, and could easily learn the various periods for which leans had been effected. So skilfully and secretly did he proceed with his guilty operations, that the most suspicious was had any inking of his actions up to the discovery of the defalcation and flight of the defaulter.

THE WORTHLESS CERTIFICATES. THE WORTHLESS CERTIFICATES.

It has not yet been definitely decided when the forged gold certificates were first used by hypothecation. On or about the 28th day of June the check book from which they were gut must have been obtained, as on that very day a checked thousand dollars—the price on sums deposited for the check book—was paid by Mr. Graham.

The signatures, as has already been stated, are very carelessly executed, and the grossest neglect could alone admit of the acceptance of the checks in any well regulated banking establishment. Not a few, it is stated, can be recognized as being in the handwriting of Edward the worthless checks and their total value can be defi-

It is rumored among those who, by dealings with the firm or long personal acquaintance with Edward Ketchum, are likely to be well informed, that his stock and gold are likely to be well informed, that his stock and gold peculations are the sole cause of his ruin. His habits are said to have been unexceptionable, and his transactions hitherto scrupulously correct and honorable. His hanily, consisting of a wife and child, were always well corrided for, and the father, making him the confident of all the business matters of the firm, by reference to the set, likes dreamed that his son would ever be guilty of a set of the set of any nature. Hr. Morris of the young man's stock speculations, but before long key were no extansive that the firm, as well as all natifies parties, were made aware that he was one of the good speculators on the street. It was by those managements that the money was lost, though when he immenced his operations his recognized business cancity and integrity assemed to guarantee that he would be calse into any speculation which did not give every murance of success. Not content with devoting all his into and, snowjee to business, he employed several scheme, and half a dozen agents represented him at the latter in the transactions of the property.

THE LOSSES OF RETCHUM AND CO. themselves responsible for the missing securities, owing to the fact that they were abstracted by a member of the firm, though it is doubtful that the law could compel when he obtained upon a check, the very day of his

MB. GRAHAM'S LOSSES. to the amount above stated. Other certificates received from Mr. Ketchum, equivalent in value to unwards of eight andred thousand dollars, have, since the discovery

ry of the defalcation, been pronounced genuine, after STATEMENT OF MR. MORRIS KETCHUM.

being called upon, declared that he had no desire to make a formal statement, though he might possibly conclude,

TO THE EDITOR OF THE HERALD.

TO THE EUROR OF THE NEW YORK TOKES:

DEAR SIK.—YOUR MOREY YORK AUGUST 16, 1806.

TO THE EUROR OF THE NEW YORK TOKES:—

DEAR SIK.—YOUR money article of this morning, and, to a lees extent, these of other daily papers, contain imputations and misstatements as to the character of our business dealings, which are calculated to greatly injure, not only ourselves, but the interests of our creditors.

It is not true that we have ever engaged in excessive apeculations in stocks or gold, or made any "heavy losses" thereby. We had nothing to do with the "recent upward movement of gold" beyond owning a very moderate amount, not increased since July 20, and most of the time not sufficient to supply the wants of our "chort" customers.

loans," either in the by dishonest practices.

We have and have had no stock or gold "under hypothecation?" but, on the contrary, have always been large lenders of money upon the various securities dealt in on the street.

Owing to the frequent absence from town of Mr. Graham, we ceased giving him orders in February last, and have not since that time employed, in any manner, the services of himself or his firm.

Our suspension is brought about solely by the unhappy speculations and the franch upon us resulting therefrom of one who, however unworthy he may have proved, commanded, so far as we are informed, the confidence of all who knew him. Respectfully, yours,

KETCHUM, SON & CO.

AN ESTIMATE OF THE LOSSES. It is reported that the firm of Morgan & Dabney held \$100,000 in forged certificates, the Importers and Traders' Bank \$335,000, the Fourth National Bank \$255,000 and Charles Graham & Co. \$285,000, giving thus far a total of \$965,000 in worthless checks. doubt the amount in the hands of unknown parties will

increase the sum by half a million. STATEMENT OF MR. GRAHAM. Mr. Charles Graham, who acted as Mr. Edward Ketchum's broker, made the following brief especial of such facts of the case as have come to his knowledge:-"I was Mr. Ketchum's broker. He was a very heavy operator. Some time ago he made a great deal of money, but lately he lost. When I was at home he frequently checked, by my advice, his operations, and quite likely, had I been here, I boing older, would have cautioned him against getting in so deep. The check boo kept here, but it was entirely in his charge; we had nothing to do with it. Having perfect confidence in him we took it for granted that he was all right, and so were his checks. We always took the number and signature of the check, &c., so that in case of wrong they could be traced; but we never looked carefully at the signatures, supposing, of course, that they were correct. The checks were used to carry gold. The banks prefer that it shouldn't be known how much they lose, and other parties are interested in keeping the mat ter quiet. I have been compelled to stop payment. I was out of town when this occurred; my partner telegraphed for me to come down at once. I did so, sus-pended, and made an assignment to David Groesbeck. I

STATEMENT OF THE NEW YORK BANK. Mr. Leverich, President of the New York Bank, has

made the subjoined statement :-

"Mr. Edward Ketchum was introduced here to Mr. -in June last, when he made a written application in be half of Mr. Charles Graham to open an account. We gave him a gold check book which contained five hundred checks, running up from No. 58,501. These checks need the four signatures of depositor, register, teller and endorser before they can be of any service. They are numbered and checked, so there can be no possibility of any fraud here. Mr. Kotchum handed us a check for one thousand dollars, drawn by Mr. Graham; but since the book was taken Mr. Graham has neither made a deposit nor drawn a check, although he paid one thousand dollars for that privilege. On Montay I heard that there were forged checks out. I looked for them and found three, one signed Brockelmann, Unger & Ca., and two signed Haliparten & Herafeld. After I went out of town at &ve o'cleck twelve others turned up, each for five thousand dollars. It is a singular fact that none of these checks—and there is no telling how many of them are out, as the book cannot be found—have been presented either for deposit or payment. It is more than probable that the forged checks were used simply as margins, and that the proceeds of the securities which he is said to have taken from the house were used to take op the checks when

man to be discovered with his carpet bag filled with urglars' 'sooks as to be searched and upon his person ave a 'fall street gold check for five thousand dollars

A GOLD CHECK DESCRIBED.

Finding that there are many persons, even within well-informed financial circles, in the city and adjoining of these who may deposit gold in their vaults:-A SPECIMEN CHECK.

U.S. Rev.

ches with lead, copper coins and other base metals claiming all to be pure gold. But from the transactions of the past few days in Wall street, it would seem that

THE STAMPEDE AT SARATOGA.

The Wall Street Excliement at the Springs.

rived early in the afternoon to the effect that Ketchuns Son & Co. had failed, and that Charles Graham had fol went overboard Graham would share his fate. But I am

ad "gone under" than a general smash was anticipated in Wall street half crinolinedom joined in lamenta-tions, and the fair urged the brave to repair instantly tions, and the fair urged the brave to repair instantly to New York. But the brave required very little urging upon this point. The afternoon train carried away a large portion of Wall street, notwithstanding that numerous promised drives to the lake were interrupted in consequence. A few, however, were importuned to stay, and with characteristic amisbility the concert given by Jerome Hopkins, at Leland's opera-house, and finally to the "hop." But they were preoccupied, and only postponed their departure because by going by the afternoon train they would have reached New York too late for business. A few were bent upon sitting up all night and taking the train at eigh minutes past three A. M.; but they were assured at the hotels that that train was very uncertain, and that the half-past seven o'clock train would land them in the city at half-most two in the afternoon and so they waited

I was one of those who waited with them. I drove to the take and drank milk punches and ate fried potatoes the concert and said "hear, hear" to the performance, which was excellent, and then danced at the "hop," and, after admiring the loveliness around me to my heart's content, I resigned myself to the embrace of Somnus and awoke to the cry of "six o'clock" and a bang at my themas at the hotel bookkeeper, who did not tell me the train would not reach New York till a quarter to four The rest of Wall street on the train were in the same de-lightful and contented frame of mind, but we all bore it heroically. We seized the Herato spasmodically when a boy came on board with it at a wayside station, and we regret at having had our visit to Saratoga thus suddenly cut short by what I may term a partial suspension of in dear creatures still at Saratogs, whose husbands and fathers left them so suddenly to their own resources! lieve that sometimes "out of evil cometh good," and that Wall street warnings may carry wisdom to the wise.

Knowing your disposition to do right by all, and having been a constant reader of the Herald for certainly thirty years, I wish to state to you that I entered as a "cheek clerk" in one of the Wall street banks about twenty-five years since, during which time I have been

"hookkeeper to a discount clerk."

On my advent in this banking institution as check clerk I received two hundred dollars per autum, and when made a bookkeeper I received eight hundred dolines, and now, as discount elerk, I get one thousand five hundred dollars a year. I have a family of six chilfive hundred dollars a year. I have a family of six chil-dren to provide for. You know that as the hitle ones grow up our expenses increase, not only for clothing and dresses, but for education. Now, as you see a New Yorker and the father of a family, I sek you how far a ten or even a fifty dollar bill will go to providing for the wants of a large family?

I have been in a Wall absect bught for eventy-five years and during that time, two of one cachiers have

THE GOLD BROKERS AT THE TOMBS Accumulation of the Wall Street

Troubles.

Arrest of Peter R. Mumford on Charge

of Frand.

One Hundred and Forty Thousand Dollars in Gold Said to be Involved.

The troubles of Wall street accumulate. The pic thickens among the bankers, brokers and speculators i gold, and new cases of crime among the bulls and bear ome daily to light. The Tombs Police Court was the

affidavit charges that Mr. Mumford defrauded the above firm to the amount of twenty-eight thousand two hun nd dollars in gold coin purchased of them by Mr

upon the following complaint was made at the Tombs:—

Folice Court First District, City and County of New
Fost.—Cornelius Ward, of No. 44 Exchange place, being
duly sworn, deposes and says, that on the 12th day of
August, 1865, at the city and county of New York, he
received from Peter R. Mumford the paper herounto annexed, purporting to be a check drawn by himself to the
order of Greenleaf, Morris & Co., for the sum of twentyeight thousand two hundred dollars, in payment for gold
sold and delivered to him to the amount of twenty thousand dollars. Deponent has since been informed that
there were no funds in the bank upon which it is drawn
to meet the same, and is worthiess.

CORNELIUS WARD.

Sworn to before me this 14th day of August, 1865.
JOSETH DOWLIGE, Police Justice.

The check referred to in the affidavit was annexed to

The check referred to in the affidavit was appeared to

were ready at once to go into an examination.

intent was clearly shown, and that the evidence so fin of the accused party. Mr. Redman urged strong objections to this pro

ing. The exceptions taken by him were noted by the clerk. He then informed the court that he should certiorari the case before the Supreme Court, and asked for a suspension of proceedings to enable him to oblain

set down for ten o'clock this morning. The accused was put under thirty thousand dollars, ball, but could not obtain it. Justice Dowling therefore remanded him to the Tombs. Mr. Milliken expresses his intention of strength-ening the original complaint by other affidavits.

certain operators on the street, and it was rumored in Court that several other parties had suffered by him, the whole amount being estimated at about one hundred and forty thousand dollars in gold. Messes. Schaeffer Bros., of said to be among the sufferers. It was also said that other complainants would appear in court to-day.

ing apparently left everything to his lawyers and seeming well causiled with their exertions on his part. He was very cool, but not indifferent to the proceedings, and watched both sides with considerable interest. It is experied that some further developments regarding him will be made this morning.

The Effect Risewhere.

Firm the Age, August 16.1

The stock market yesterday was in a decided flurry, and prices of those investments known as "funcios" tambled to such an extent as to create a small panic, and would have been much more serious if the offerings had been to a greater extent. Any attempt to either sakes to any extent must have resulted in great sacrinees. The buyers were few in number as compared with those who were willing to sell. This was the result of symmathy with the state of things in New York, where the fidure of a 'blar' in Reading, the late Pients Bank darlication, the discovery of forged gold checks on the Bank of New York, and the dishonorting of checks given for gold purchased to the amount of \$170,000 to \$200,000, each following close upon the heals of the other, has created a white spread teeling of district, and every one tooks his acightor in the force with the inquiry. "What next!" This is a second took to financial movements at the present time. The foundations of public credit are lessed upon public confidence. It this is shaken the whole structure may cromble into rain. Let up exhort the business men of our city, if their own hands are cisen, to stand up furnly at this crisis and roll back the tide of rain in which the re-kiops extravegance of our siter city is already stringgling.

[From the Ledger, August 16.]

TOWNSEND, THE NEW HAVEN DEFAULTER.

HIS ARRIVAL IN THIS CITY YESTERDAY.

ENGLISH ACCOUNTS OF HIS CAPTURE.

He Keeps a Diary, and Moralizes on the Avariciousness and Treachery of Spain and the Impressiveness of the Ship's Sermons,

Arrival of the Prisoner Townsend. The steamship Etna, which arrived at this port yester iay morning from Liverpool, brought among her passen-gers Jeremiah Townsend, late the assistant cashier of the stands charged with embezzling one hundred and fifteen thousand dollars from the savings institution with which Atlantic not only succeeded in arresting the defaulter, in the day the officers having Townsend and the treasure

Particulars of the Arrest of Townsend.

[From the Liverpool Mercury, August 3]

tow the Robbert was Effected.

On the 22d of May last the Townsend Savings Bank, of New Haven, State of Connecticut, was robbed of \$100,000 by a young man, named Jeremiah Townsend, who was employed as a clerk in the establishment. Townsend, who was a distant relation of the manacers of the bank, was, at his own request, left in the office after closing hours on the evening of the 31st of May, he stating that he was desirous of posting up his books. The money in the bank was placed in a fire proof safe, which was fastened by a "combination" lock—an ingenious contrivence used in banking and mercantile houses in America. Townsend had a key to the safe, but unless he was in possession of the "combination" an arrangement of certain letters—he would not be able to open it. He managed to obtain the combination from one of the head clerks, and while in the bank by himself he opened the safe and stole \$115,000 in notes. &c. The robberty was discovered next day; but by that time the third was next.

at liberty.

PLANS OF THE THIEF.

He stated that while on his way from Pittsburg to Cincinnati he became acquainted with a young man who was a fellow passenger, who gave the name of F. A. Strawbridge; that he accompanied him to Havana, where he left him, and that on leaving, Strawbridge ave him the certaincate for five thousand dollars to get cached. Strawbridge also instructed him, when he succeeded in getting gold for the certificate, to proceed to Newhaven, give the money to a young lady whom he named, who was to take the steamer and meet Strawbridge at Liverpool. If, however, there were anything in the way to prevent this plan being carried out, Ryan was to come to Liverpool, where he was to neet Strawbridge at the Queen's Hotel, Lime street, the latter having left Havana for Southampton by way of St. Thomas.

THE PURSUIT.

Queen's Hotel, Lime street, the latter having left Havana for Southampton by way of St. Thomas.

THE PURSUIT.

When these facts became known information was given to the detective police, and from the description that Ryan gave of his friend "Strawbridge," there could be no doubt but he and the bank robber Townsend were one and the same person. It was determined that some of the most experienced detectives in the States should investigate the case. Ultimately the matter was placed in the hands of detectives Carlin and Callanan, of the Philadelphia detective police—two officers of great experience, the former having been over in this country on more than one occasion for the purpose of apprehending notorious criminals. Arrangements were made for detective Carlin, accompanied by Dr. Townsend, one of the managers of the bank, to proceed in pursuit of the prisoner to England, on board the steamship China, which left Boston on the 19th ult. The China arrived at Queenstown on the 28th, and the detective and bis companion proceeded to Liverpool, by way of Holyhead, arriving in Liverpool on Saturday morning. They then learned from the newspapers that the steamship Shannon, by which it was believed the man they wanted had come as a passenger, had arrived at Southampton on Friday morning. Mr. Carlin took up his quarters, under an assumed name, at the Queen's Hotel, which the thief had fired as the place of rendezvous for himself, Ryan and his lady-love. Dr. Townsend went to another hotel, where he lodged under an assumed name.

six barrelled revolver.

THE CAME BAGGED.

The officers waited in the coffee from until he came down from his bedroom. This he did, little suspecting who were waiting for him, for as soon as he made his appearance he was pounced upon by the detectives. Just as they got hold of him he was seen to place his hand in his posterior, but he was seen to place his hand in his posterior and the large searched at was found that he had in his posterior a revolver and a bag containing \$42,000. On his longage being searched a revolver and \$56,000 more were found, besides several articles of jovelry which he had purchased with the stolen money. The total amount recovered by the officers was \$98,934. Townsend had altered his appearance considerably by shaving off his whiskers. The Liverpool police had been communicated with some time before about the robbery, and Inspector Caritiele had been on the lookout for the prisoner for some time.

TOWNSEND'S SENTIMENTAL DIAMY.

THE MILITARY EXCURSION

Arrival at Boston of the Battalion of the Seventy-first Regiment-Their tion-Welcoming Address of

Lincoln, &c.
OUR BOSTON CORRESPONDENCE.

Bostos, August 16, 186

endent Company of Fusiliers. The battalion, numbering one hundred and twenty-five second morning train, arriving in Boston before eleven o'clock. They were loudly on their arrival at the depot by a large number gated there, and immediately proceeded, under eccor of their hosts, the Fusiliers, to the City Hall, where they were introduced to his Honor Mayor Lincoln, by Captain

Mayor Lincoln addressed them as follows:—

Mr. COMMANDEM—It affords me much pleasure to well come you and the battalion under your command to the city of Boston. The regiment of which you form a pail has long held an honorable position in the ranks of the inilitary organizations in the commercial metropoles of the Union. An efficient force of critizen soldiery in peace responding with alacrity as, time and time again, you were called into active service during the late rebellion you still keep up your discipline and rank, ready it all times to aid the cause of good order and the supremacy of law. Your friendly visit to our metropoles is one of the first and most well come illustrations of the return of peaceful and appy days. Our country has been saved by the exertions of brave menstanding shoulder to shoulder from every loyal State of the Union. It is well they should occasionally come together to renew the friendship formed in other scenes, and to coment more closely that union of hearts and hands which accomplished the great

can Hotel.

During the sejourn of our New York friends there will be a visit to the Charlestown Navy Yard, Bunker Bill, on excursion in the harbor and other festivities.

Letter from Lieutenant General Scott.
TO THE EDITOR OF THE HERALD.
In the Herald of the 15th instant (yesterday) it is

the United States Army, had written a letter to Mr. Seward, dated March 3, 1861, clearly intimating that, in (secoding States) depart in peace." This is a misapprehension. In that letter-declared,

on its face, to be supplementary to one of the preceding October addressed to President Buchanan-General Scott suggested four methods of dealing with secession, tion of the second States by arms was his third measure, the first and second indicated in his two letters having failed. These were, to reinforce all the defence revenue cutters; to permit all exports to pass free, and also all imports, except materials of war and dutiable cities, to avoid conflicts, NEW YORK, August 16, 1865.

Nuwsens, August 12, 1865. set in. People are arriving by thousands from all

never better. In point of health North Carolina has always been the second State in the Union, which post tion she is destined to keep.

The Murray's line of steamers, which run frote this point to New York, and also the Goodspeed line, are each building a number of first class packet steamers to run on this route, which will make a trip ten hours sooner. Hough & Co., of this city, intend building a similar class of steamers for the Newbern and New York trade. These steamers are to be constructed with the view of speed, and a rivalry is being excited that will tost the

Georgis.

VIEWS OF THE REDE! EX-GOVERNOR REGWN.

(From the Augusta Chronicle and Sentine), Acquete
Ex-Governor Brown has paid Augusta a short vi
During his stay here we had the pleasure of an interv

During his stay here we had the pleasure of an interview with him.

The Governor is still auxious about the welfare and interests of the State over whose affairs he presided so long. He is auxious that her citizens should understand the true status of affairs and accept should understand the true status of affairs and accept them promptly. He desired us to urge upon the people the necessity of accepting the policy marked out by President Johnson, and to uphold the same without dissent. The policy the would carry it out. The Governor also said "the longer should not be the longer should be understood by all, and also that the people themselves to the matter, and scoommodate thomser-wes to the existing state of affairs as soon as possible.